

United States Bankruptcy Court
District of Oregon

In re:
Body By Pastrami, LLC
Debtor

Case No. 19-34107-tmb
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0979-3

User: Admin.
Form ID: pdf018

Page 1 of 1
Total Noticed: 4

Date Rcvd: Nov 20, 2019

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Nov 22, 2019.

db Body By Pastrami, LLC, 1038 SE Harvey Milk Street, Portland, OR 97205
intp +Kenneth Gordon, 3908 N Concord Ave, Portland, OR 97227-1012
102028361 +American Express, 4315 SOUTH 2700 WEST, Salt Lake City, UT 84184-0002

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.
102028394 +E-mail/Text: bankruptcy@ondeck.com Nov 21 2019 02:31:50 On Deck Capital, Inc.,
1400 Broadway, 25th Floor, New York, NY 10018-5225

TOTAL: 1

***** BYPASSED RECIPIENTS *****

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Nov 22, 2019

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on November 20, 2019 at the address(es) listed below:

NONE.

TOTAL: 0

Below is an order of the court.


TRISH M. BROWN
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re:

BODY BY PASTRAMI, LLC,

Debtor.

Case No. 19-34107-tmb11

INTERIM ORDER AUTHORIZING
DEBTOR TO USE CASH COLLATERAL
AND GRANTING ADEQUATE
PROTECTION

This matter came before the Court on November 14, 2019 on the Debtor's Motion For Interim and Final Orders Under Sections 361 and 363 of the Bankruptcy Code, Authorizing Debtor to Use Cash Collateral and to Grant Adequate Protection [ECF #20] (the "Cash Collateral Motion") filed by Body by Pastrami, LLC, (the "Debtor"), as debtor-in-possession. Based on the entire record of this case, the Court makes the following findings of fact and conclusions of law:

A. On November 6, 2019 (the "Petition Date"), the Debtor filed herein a voluntary petition under Chapter 11 of the Bankruptcy Code. As of the date hereof, no trustee or examiner has been requested or appointed and no official committee of creditors has been appointed.

B. The following creditors (each a “Secured Creditor” and collectively the “Secured Creditors”) may claim a lien in the Debtor’s Cash Collateral as defined in § 363(a), as follows:

Lien Creditor	UCC Date	Amount Owing	Secured Amount	Collateral Description
On Deck Capital, Inc.	8/12/2015	\$174,000	\$158,537	All Assets
Performance Food Group, Inc.	12/19/2016	\$184,494.29	(\$15,463)	All Assets
American Express	7/16/2019	\$125,000	(\$199,957.29)	All Assets

C. The relief requested in the Cash Collateral Motion (i) is necessary to enable the Debtor to continue the operation of its business in an orderly manner, to make deposits with utility service providers, to pay payroll and other post-petition operating expenses, and to satisfy other working capital and operational needs; (ii) constitutes a critical element to achieving a successful outcome to this Chapter 11 case for creditors and other parties; and (iii) best serves the interests of the estate.

D. Absent authority to use Cash Collateral, the Debtor will have to curtail or terminate its business operations to the detriment of all parties in interest. Among other things, the disruption or termination of business operations would have a material and adverse effect on the value of the Debtor’s business. The Debtor’s use of Cash Collateral will enable it to maintain the going concern value of its business and the value of the real property.

E. Debtor has consented to the use of Cash Collateral under the terms of this Order. The adequate protection offered to the Secured Creditors in the Cash Collateral Motion is reasonable and appropriate in the circumstances.

F. Notice of the hearing on the Cash Collateral Motion was reasonable and sufficient in the circumstances.

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Based on the foregoing, it is hereby ORDERED that:

1. The Debtor is authorized to use \$169,200 of Cash Collateral for the period of November 6, 2019 through December 15, 2019 (the “Budget Period”), in accordance with the attached Exhibit 1 (the “Budget”). Debtor’s authority to use Cash Collateral is limited to the uses set forth in the Budget, together with a 15% aggregate variance.
2. As adequate protection, the Lien Creditors are granted replacement liens upon all post-petition assets of the Debtor which are of the identical description to its pre-petition collateral, with the same relative priority vis-à-vis each other that existed as of the Petition Date.
3. Debtor will timely perform and complete all actions necessary and appropriate to protect Lien Creditors’ collateral against diminution in value.
4. Nothing in this Order shall be construed to (a) grant a security interest in the Debtor’s avoidance powers; (b) convert any pre-petition obligations into post-petition obligations; (c) require payment of any obligations on confirmation of a plan of reorganization, except as otherwise provided under the Bankruptcy Code; (d) alter, improve, limit or impair the rights, if any, of parties claiming to have rights of reclamation against Debtor, or its assets or (e) enhance the secured position of any creditor as of the Petition Date. Further, nothing in this order shall preclude Lien Creditors from asserting claims for any further amounts that may be owed by the Debtor.
5. Debtor is authorized to execute and deliver to Lien Creditors such instruments considered by each Lien Creditor to be necessary or desirable to perfect the secured interests and liens given to the Lien Creditor, and the Lien Creditor is authorized to receive, file, and record the same.

6. Nothing contained in this Order shall constitute a determination as to the amount, validity, or priority of any pre-petition obligation, security interest, or lien and all rights of parties in interest to claim that any pre-petition lien or security interest in Debtor's property is unperfected, unenforceable, invalid, or voidable, are reserved. Additionally, nothing in this Order shall constitute an admission or acknowledgement by Debtor that any party has a valid or perfected lien in the cash of Debtor now existing or subsequently received, and the references herein to "Cash Collateral" are without prejudice to all rights, defenses, and claims of Debtor to contend that any party does not have a perfected lien or security interest in such collateral.

7. Debtor's authority to use Cash Collateral may be extended beyond the amount in Paragraph 1 or the Budget Period by mutual agreement of the Debtor and the Lien Creditors. In the event of such agreement, Debtor may submit a further order extending Debtor's authority to use Cash Collateral on the same terms and conditions as provided herein without an additional motion or hearing. Notice of the proposed extension, including the applicable Budget, shall be provided to creditors and parties in interest with 14 days for filing objections thereto. If no objections are received, the extension order will take effect upon its stated date of commencement.

8. The Debtor shall deposit all funds received since the Petition Date and during the pendency of this case in the Debtor's bank account or accounts and that all expenses of the Debtor during the pendency of this case shall be paid from such accounts. Debtor shall not prepay expenses except in the ordinary course of business or as authorized by a court order.

9. This Order does not contain any of the "disfavored provisions" listed in LBF #541.7.

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The final hearing on the Cash Collateral Motion shall be held in Courtroom 4 of the United States Bankruptcy Court for the District of Oregon, 1050 SW 6th Ave, #700, Portland, Oregon 97204, on December 11, 2019 at 1:30 p.m.

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I certify that I have complied with the requirements of LBR 9021-1 (a)(2)(A).

Order Presented by:

MOTSCHENBACHER & BLATTNER, LLP

/s/ Troy G. Sexton
Troy G. Sexton, OSB #115184
117 SW Taylor Street, Suite 300
Portland, OR 97204
Telephone: 503-417-0517
Facsimile: 503-417-0528
E-mail: tsexton@portlaw.com
Of Proposed Attorneys for Debtor

SERVICE LIST

Electronic Service:
All CM/ECF participants

Service by Mail:
OnDeck Capital
1400 Broadway
25th Floor
New York, NY 10018

American Express
4315 South 2700 West
Salt Lake City UT 84184

EXHIBIT 1
CASH COLLATERAL BUDGET

{00318364:1}

Cash on hand (beginning of week)	11/5/2019	11/10/2019	11/17/2019	11/24/2019	12/1/2019	12/8/2019	12/15/2019	12/22/2019	12/29/2019	1/5/2020	1/12/2020	1/19/2020	1/26/2020	2/2/2020	2/9/2020	2/16/2020	2/23/2020	3/1/2020
CASH RECEIPTS																		
Cash Sales	8,000.00	27,000.00	26,000.00	25,000.00	26,000.00	29,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00
SSP Sales	6,700.00	9,000.00	8,500.00	8,500.00	8,500.00	8,500.00	8,000.00	8,500.00	8,500.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00
SSP Royalty	-	-	-	-	8,500.00	-	-	8,500.00	-	-	-	-	-	-	-	-	-	-
Wholesale Accounts and other income	3,900.00	3,700.00	400.00	400.00	1,200.00	1,600.00	1,000.00	400.00	1,200.00	400.00	3,400.00	3,400.00	400.00	400.00	3,400.00	3,400.00	400.00	400.00
TOTAL CASH RECEIPTS	18,600.00	39,700.00	34,900.00	33,900.00	44,200.00	39,100.00	35,000.00	34,900.00	44,200.00	34,400.00	37,400.00	37,400.00	34,400.00	34,400.00	37,400.00	37,400.00	34,400.00	34,400.00
Total cash available	24,340.00	52,440.00	57,640.00	52,140.00	78,240.00	63,740.00	81,940.00	67,240.00	91,840.00	77,140.00	80,940.00	86,540.00	99,390.00	74,690.00	93,490.00	85,290.00	100,090.00	75,390.00
CASH PAID OUT																		
OPERATING EXPENSES																		
Food Vendor	10,600.00	10,000.00	10,600.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Debt Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	2,500.00	-	-	-	4,000.00	-	-	-	4,000.00	-	-	-	4,000.00	-	-
SP Meats	-	1,000.00	-	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00
Payroll Taxes	-	10,000.00	-	-	10,000.00	-	10,000.00	-	10,000.00	-	10,000.00	-	10,000.00	-	10,000.00	-	10,000.00	-
Payroll	-	-	24,000.00	-	25,000.00	-	25,000.00	-	10,000.00	15,000.00	5,000.00	-	20,000.00	-	20,000.00	-	20,000.00	-
CC Fee	-	-	-	-	3,000.00	-	-	-	-	3,000.00	-	-	-	3,000.00	-	-	-	-
Misc. Suppliers	1,000.00	8,700.00	4,800.00	5,000.00	5,000.00	6,200.00	4,000.00	5,000.00	5,000.00	5,000.00	6,200.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
SUBTOTAL	11,600.00	29,700.00	39,400.00	18,100.00	53,600.00	16,800.00	49,600.00	19,600.00	49,100.00	33,600.00	31,800.00	19,600.00	59,100.00	18,600.00	45,600.00	19,600.00	59,100.00	15,600.00
OTHER CASH OUTFLOWS																		
US Trustee Payments	-	-	-	-	-	-	-	-	-	-	-	1,950.00	-	-	-	-	-	-
TOTAL CASH PAID OUT	11,600.00	29,700.00	39,400.00	18,100.00	53,600.00	16,800.00	49,600.00	19,600.00	49,100.00	33,600.00	31,800.00	21,550.00	59,100.00	18,600.00	45,600.00	19,600.00	59,100.00	15,600.00
Cash on hand (end of week)	12,740.00	22,740.00	18,240.00	34,040.00	24,640.00	46,940.00	32,340.00	47,640.00	42,740.00	43,540.00	49,140.00	64,990.00	40,290.00	56,090.00	47,890.00	65,690.00	40,990.00	59,790.00